

SALEM

Fourth Quarter Promotion Objectives/Strategies

- October 30¢ Off Pack Tear Tape Product Program (November-December TBD)
 - Defend SALEM's volume at an average PV rate of 33% nationally in C-Gas outlets on grid at a set rate of 30¢ off per pack.
 - To be worked on FF KS, LT KS, FF 100 and LT 100 as determined by Field Sales.
 - It is also vital to defending SALEM's volume that discounted product is prominently displayed via the 4-carton shipper display.
- Fourth Quarter Deeper Promotion Coverage (DPC) - SALEM FF KS, LT KS, FF 100 and LT 100 styles.
 - Provide discounting opportunity in lower volume outlets not receiving other RJR promotions.
 - 30¢ off per pack discount rate.
 - May be worked throughout the quarter.
- Accrual Sleeves
 - Provide brand-specific 2, 3 and 5-pack sleeves to support discounting efforts funded by retail accrual/SALEM defense strategy.
 - Add equity to discounting efforts by emphasizing SALEM's current "Move to Smooth" positioning.
 - Utilize in all outlet types.

Presence Objectives/Strategies

- Workplan POS
 - SALEM should have presence in SALEM priority markets to defend volume vs. key menthol competitors as determined by Field Sales.
 - Provide big brand positioning with "Move to Smooth" advertising.
 - Available to all markets.
- Pricing POS
 - Provide brand-specific POS to support discounting efforts.
 - Add equity to discounting efforts by emphasizing brand trademark and positioning.
 - Dump bin riser card, counter display riser card, large paster and large and small starburst are available to all markets.